Fiscal incentives for handloom sector

2325. SHRI SURESH PACHOURI: Will the Minister of TEXTILES be pleased to state:

(a) the details of the measures taken to tone up Handloom Sector by the Government under the new Textile Policy;

(b) how far these have benefited the Handloom Sector;

(c) whether Government propose to give fiscal incentives for Handloom Sector; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) and (b) The National Textile Policy, 2000, provides for the development of training modules for weavers engaged in the production of low value items with the objective of upgrading their skills and helping them survive the competition consequent on globalization.

The Office of the Development Commissioner for Handlooms has been imparting training to the weavers for capacity building, value addition, product diversification etc., under various Schemes such as Development of Exportable Products and their Marketing Scheme, Decentralized Training Programme for weavers and Deen Dayal Hathkargha Protsahan Yojana launched in the year 2000-01 which, *inter alia*, provides for skill upgradation of weavers through training by Master Weavers.

The Policy also aims at continuing the implementation of comprehensive welfare measures in close cooperation with the State Governments for better working environment and the social security of the weavers.

The Office of the Development Commissioner for Handlooms has been implementing various schemes for the welfare of weavers, such as Workshed-cum-Housing Scheme, Health Package Scheme, New Insurance Scheme, Group Insurance Scheme and Thrift Fund Scheme.

The Policy further seeks to provide for effective support system in research and development, design inputs, and market linkages.

In this connection, a project called the National Center for Textile Design (NCTD) has been launched to link the weavers with national and

international markets; to connect various sectors of the textile industry with one another; and to provide services to enable the industry to respond better and quickly to market demands by providing effective design inputs and colour forecast.

The Policy also provides for the revamping of the Weavers' Service Centres in consonance with the contemporary trends and for dovetailing their activities suitably with the activities of Centres of Design excellence like National Institute of Fashion Technology and National Institute of Design using Information Technology for efficiency.

Out of the total 24 Weavers' Service Centers, 21 Weavers' Service Centres have already been linked with the National Center for Textile Design. 18 Weavers' Service Centers have been provided with the Computer Aided Textile Design System and 20 Centers with computers. The possible areas of co-operation between the Weavers' Service Centers and the National Institute of Design have been identified. Regular and focused interaction of the Weavers Service Centers located at places where centers of National Institute of Fashion Technology exist has been established.

(c) and (d) The following fiscal concessions/exemptions are available to the Handloom Sector:—

(1) The following types of yarn when purchased by a registered Handloom Apex Cooperative Society or National/State Handloom Development Corporation are exempt from excise duty:

   (a) Yarn of wool;

   (b) Cotton yarn in cross reel hank form;

   (c) yarn of certain blends of polyester/cotton, polyester/viscose; and

   (d) Yarn of counts not exceeding 25 of artificial staple fiber supplied in cross reel hanks.

(2) Yarn of upto 2 counts manufactured from cotton wastes on condensor card machine in plain reel hanks, is exempt from excise duty.

(3) The following fabrics produced on handloom and processed by a

process house owned by a registered Apex Handloom Co-operative Society or a State Handloom Development Corporation are exempt from excise duty:—

(a) Woollen;

(b) Cotton; and

(c) Certain blends of polyester/cotton and ployester viscose.

(4) The woollen fabrics produced on handloom and processed by an Independent processor approved by Government of India are also exempt from excise duty.

(5) The excise duty on cotton fabrics produced on handlooms and processed by an Independent processor approved by Government of India is levied at a concessional rate.

(6) Articles of apparel and made up textile articles made out of handloom fabrics are exempt from excise duty.

Ban by Germany on Import of Ejo Coloured clothes from India

†2326. SHRI P. K. MAHESHWARI: Will the Minister of TEXTILES be pleased to state:

(a) whether Government's attention has been drawn to the ban imposed by Germany on import of such clothes from India wherein Ejo Colour has been used;

(b) if so, whether such clothes contain an excessive quantity of "carrenojence" in them; and

(c) if so, the steps taken by Government in this regard and the amount of loss the country is likely to suffer as a result of ban on such imports to Germany?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) to (c) Germany had imposed a legislative requirement prohibiting use of specific azo dyes which are harmful to human being, in the manufacture of textile products in Germany and imported into Germany irrespective of the country in which textile

†Original notice of the question was received in Hindi.